

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Mortgage Banker License of: No. 06F-BD116 -SBD

3 **MARICOPA MORTGAGE, L.L.C. AND**  
4 **STEVEN BOLLOW AND ROB BINKLEY,**  
5 **OWNERS**

4647 North 32<sup>nd</sup> Street, Suite 180  
Phoenix, AZ 85018

Respondents.

**ORDER TO CEASE AND DESIST;  
NOTICE OF OPPORTUNITY FOR  
HEARING; CONSENT TO ENTRY OF  
ORDER**

7 The Superintendent of Financial Institutions for the State of Arizona (the "Superintendent"),  
8 makes the following Findings of Fact and Conclusions of Law and enters the following Order  
9 pursuant to Arizona Revised Statutes ("A.R.S.") § 6-137.

10 Pursuant to Titles 6 and 41 of the Arizona Revised Statutes and Title 20, Chapter 4 of the  
11 Arizona Administrative Code ("A.A.C."), Respondents are hereby notified that they are entitled to a  
12 hearing to contest the allegations set forth in this Order. The Request for Hearing shall be filed with  
13 the Arizona Department of Financial Institutions (the "Department") pursuant to A.R.S. § 6-137(D)  
14 within **thirty (30) days** of service of this Order and shall identify with specificity the action or order  
15 for which review is sought in accordance with A.R.S. § 41-1092.03(B).

16 Pursuant to A.R.S. §§ 41-1092.01(D) and 41-1092.03(B), any person may appear on his or  
17 her own behalf or by counsel. If Respondents are represented by counsel, the information required  
18 by A.R.S. § 41-1092.03(B) shall be included in the Request for Hearing. Upon the filing of a  
19 Request for Hearing, the Department shall issue a Notice of Hearing scheduling the matter for  
20 hearing in accordance with A.R.S. § 41-1092.05. **Persons with disabilities may request**  
21 **reasonable accommodations such as interpreters, alternative formats, or assistance with**  
22 **physical accessibility.** Requests for special accommodations must be made as early as possible to  
23 allow time to arrange the accommodations. If accommodations are required, call the Office of  
24 Administrative Hearings at (602) 542-9826.

25 Respondents have the right to request an Informal Settlement Conference, pursuant to A.R.S.  
26 § 41-1092.06, by filing a written request no later than **twenty (20) days** before the scheduled

1 hearing. The conference will be held within **fifteen (15) days** after receipt of your request. If an  
2 Informal Settlement Conference is requested, a person with the authority to act on behalf of the  
3 Department will be present (the "Department Representative"). Please note that in requesting an  
4 Informal Settlement Conference, Respondents waive any right to object to the participation of the  
5 Department Representative in the final administrative decision of this matter, if it is not settled. In  
6 addition, any written or oral statement made by Respondents at such informal settlement conference,  
7 including written documentation created or expressed solely for purposes of settlement negotiations,  
8 are inadmissible in any subsequent administrative hearing. (See A.R.S. § 41-1092.06 for rules  
9 regarding informal settlement conferences.) Conversely, any written or oral statement made by  
10 Respondents outside an Informal Settlement Conference is not barred from being admitted by the  
11 Department in any subsequent hearing.

12 If Respondents do not request a hearing, this Order shall become final. If Respondents  
13 request a hearing, the purpose of the hearing shall be to determine if grounds exist for: (1) the  
14 issuance of an order pursuant to A.R.S. § 6-137 directing Respondents to cease and desist from the  
15 violative conduct and to take the appropriate affirmative actions, within a reasonable period of time  
16 prescribed by the Superintendent, to correct the conditions resulting from the unlawful acts,  
17 practices, and transactions; (2) the imposition of a civil monetary penalty pursuant to A.R.S. § 6-  
18 132; (3) the suspension or revocation of Respondents' license pursuant to A.R.S. § 6-945; and (4) an  
19 order or any other remedy necessary or proper for the enforcement of statutes and rules regulating  
20 mortgage bankers pursuant to A.R.S. §§ 6-123 and 6-131.

### 21 FINDINGS OF FACT

22 1. Respondent Maricopa Mortgage, L.L.C. (hereinafter "Maricopa Mortgage") is an Arizona  
23 limited liability company authorized to transact business in Arizona as a mortgage banker, license  
24 number BK 0905838, within the meaning of A.R.S. §§ 6-941, *et seq.* The nature of Maricopa  
25 Mortgage's business is that of making, negotiating, or offering to make or negotiate a mortgage  
26 banking loan or a mortgage loan secured by Arizona real property within the meaning of A.R.S. § 6-

1 941(5).

2 2. Respondents Mr. Rob Bollow ("Mr. Bollow") and Mr. Steven Binkley ("Mr. Binkley") are  
3 fifty-percent co-owners of Maricopa Mortgage and are authorized to transact business in Arizona as  
4 mortgage bankers within the meaning of A.R.S. § 6-941(5), as outlined within A.R.S. § 6-943(F).

5 3. Maricopa Mortgage, Mr. Bollow, and Mr. Binkley are not exempt from licensure as  
6 mortgage bankers within the meaning of A.R.S. §§ 6-942 and 6-941(5).

7 4. A January 31, 2006 examination of Maricopa Mortgage, conducted by the Department,  
8 revealed that Maricopa Mortgage, Mr. Bollow, and Mr. Binkley:

- 9 a. Failed to use its name and license number, as issued on the its principal place of  
10 business license, within all regulated advertising in one (1) advertisement or  
11 solicitation and failed to include all federal and state of Arizona required disclosures  
12 in all regulated advertising in one (1) advertisement or solicitation; specifically:
- 13 i. "An Outstanding Repayment History . . ." (advertisement)—missing  
14 BK number 0905838;
  - 15 ii. "Are You Facing Foreclosure" (advertisement)—Respondents allowed  
16 Ticor Title Agency to advertise without collecting any type of  
17 compensation;
- 18 b. Failed to conduct the minimum elements of reasonable employee investigations  
19 before hiring employees; specifically:
- 20 i. Failed to collect and review all documents pertaining to the  
21 Immigration Reform and Control Act of 1986 before hiring at least  
22 three (3) employees;
  - 23 ii. Failed to obtain a completed Employment Eligibility Verification  
24 (Form I-9) before hiring at least seven (7) employees;
  - 25 iii. Failed to consult with the applicant's most recent or next most recent  
26 employer before hiring at least nine (9) employees;

- iv. Failed to inquire regarding an applicant's qualifications and competence for the position before hiring at least eight (8) employees;
  - v. Failed to obtain a credit report before hiring or failed to investigate further as to the applicant's honesty, truthfulness, integrity, or competence before hiring at least three (3) employees; and
  - vi. Failed to correct this violation from their most previous examination;
- c. Failed to first obtain written authorization to fill in blank spaces prior to permitting borrowers to sign loan documents containing blank spaces;
- d. Failed to comply with the disclosure requirements of Title I of the Consumer Protection Act (15 U.S.C. §§ 1601-1666j); the Real Estate Settlement Procedures Act (12 U.S.C. §§ 2601-2617); and the regulations promulgated under these acts and failed to maintain copies of documents showing compliance with the aforementioned requirements; specifically:
- i. Respondents failed to issue a Servicing Transfer disclosure in one (1) mortgage loan transaction; and
  - ii. Failed to correct this violation from their most previous examination;
- e. Made a false promise or misrepresentation or concealed an essential or material fact in the course of the mortgage banker business; specifically:
- i. From October to November 2005, Carlie McChesney (Respondents' loan processor) and Sonya Zepeda (Respondents' loan officer), attempted to close two (2) loans under the Carson Mortgage, L.L.C.;
    1. Carlie McChesney signed a letter, which involved a mortgage loan transaction, under the letterhead of Carson Mortgage, L.L.C. (Carson Group) and used Respondents' license number BK 0905838;
    2. Carlie McChesney submitted and obtained approval on a

1 mortgage loan using the Carson Group name; and

2 3. Carson Mortgage, L.L.C. and Carson Group are not licensed  
3 with the Department;

4 ii. Respondents' loan processor, Carlie McChesney, signed mortgage  
5 documents involving two (2) mortgage loan applications whereby the  
6 borrowers' monthly income was represented as having doubled or  
7 tripled within months;

8 f. Failed to keep and maintain at all times correct and complete records clearly  
9 reflecting the financial condition of the business that will enable the Superintendent to  
10 determine whether the licensee is conducting business in accordance with Title 6,  
11 Chapter 9, Article 2; specifically:

12 i. Respondents failed to provide samples of every piece of advertising;  
13 and

14 ii. Respondents failed to provide samples and lists of all leads;

15 g. Respondents' employee used an improper name in transacting or soliciting business;  
16 specifically:

17 i. Respondents' loan processor, Carlie McChesney, used Respondents'  
18 mortgage banker number on "Carson Mortgage, L.L.C. (Carson  
19 Group)" letterhead, which are unlicensed entities;

20 h. Mr. Bollow, who is the Respondents' Responsible Individual, failed to supervise  
21 compliance with and failed to be in active management of Respondents' activities  
22 governed by A.R.S. Title 6, Chapter 9, Article 2.

23 5. These Findings of Fact shall also serve as Conclusions of Law.

24 **CONCLUSIONS OF LAW**

25 1. Pursuant to A.R.S. §§ 6-941, *et seq.*, the Superintendent has the authority and duty to  
26 regulate all persons engaged in the mortgage banker business and with the enforcement of statutes,

1 rules, and regulations relating to mortgage bankers.

2 2. By the conduct set forth in the Findings of Fact, Maricopa Mortgage, L.L.C., Mr. Bollow,  
3 and Mr. Binkley violated the following:

- 4 a. A.R.S. §§ 6-943(N) and 6-946(E) by failing to use its name and license number, as  
5 issued on the its principal place of business license, within all regulated advertising in  
6 one (1) advertisement or solicitation and failed to include all federal and state of  
7 Arizona required disclosures in all regulated advertising in one (1) advertisement or  
8 solicitation;
- 9 b. A.R.S. §§ 6-943(O) and A.A.C. R20-4-102 by failing to conduct the minimum  
10 elements of reasonable employee investigations before hiring employees;
- 11 c. A.R.S. § 6-947(A) and A.A.C. R20-4-1808 by failing to first obtain written  
12 authorization to fill in blank spaces prior to permitting borrowers to sign loan  
13 documents containing blank spaces;
- 14 d. A.R.S. § 6-946(E) and A.A.C. R20-4-1806(B)(6)(e) by failing to comply with the  
15 disclosure requirements of Title I of the Consumer Protection Act (15 U.S.C. §§  
16 1601-1666j); the Real Estate Settlement Procedures Act (12 U.S.C. §§ 2601-2617);  
17 and the regulations promulgated under these acts;
- 18 e. A.R.S. § 6-947(L) by making a false promise or misrepresentation or concealing an  
19 essential or material fact in the course of the mortgage banker business;
- 20 f. A.R.S. § 6-946(A) and A.A.C. R20-4-1806(B) by failing to keep and maintain at all  
21 times correct and complete records clearly reflecting the financial condition of the  
22 business that will enable the Superintendent to determine whether the licensee is  
23 conducting business in accordance with Title 6, Chapter 9, Article 2;
- 24 g. A.R.S. § 6-943(N) by using an improper name in transacting or soliciting business;
- 25 h. A.R.S. § 6-943(F) and A.A.C. R20-4-102 by failing to have Respondents'  
26 Responsible Individual supervise compliance with A.R.S. Title 6, Chapter 9, Article 2

1 and by failing to be in active management of Respondents' activities governed by  
2 A.R.S. Title 6, Chapter 9, Article 2.

3 3. The violations, set forth above, constitute grounds for: (1) the issuance of an order  
4 pursuant to A.R.S. § 6-137 directing Respondents to cease and desist from the violative conduct and  
5 to take the appropriate affirmative actions, within a reasonable period of time prescribed by the  
6 Superintendent, to correct the conditions resulting from the unlawful acts, practices, and  
7 transactions; (2) the imposition of a civil monetary penalty pursuant to A.R.S. § 6-132; (3) the  
8 suspension or revocation of Respondents' license pursuant to A.R.S. § 6-945; and (4) an order or any  
9 other remedy necessary or proper for the enforcement of statutes and rules regulating mortgage  
10 bankers pursuant to A.R.S. §§ 6-123 and 6-131.

11 **ORDER**

12 1. Maricopa Mortgage, L.L.C., Mr. Bollow, and Mr. Binkley shall immediately stop the  
13 violations set forth in the Findings of Fact and Conclusions of Law. Maricopa Mortgage, L.L.C.,  
14 Mr. Bollow, and Mr. Binkley:

- 15 a. Shall use its name and license number, as issued on the its principal place of business  
16 license, within all regulated advertising or solicitation and shall include all federal  
17 and state of Arizona required disclosures in all regulated advertising or solicitation;  
18 b. Shall conduct the minimum elements of reasonable employee investigations before  
19 hiring employees;  
20 c. Shall first obtain written authorization to fill in blank spaces prior to permitting  
21 borrowers to sign loan documents containing blank spaces;  
22 d. Shall comply with the disclosure requirements of Title I of the Consumer Protection  
23 Act (15 U.S.C. §§ 1601-1666j); the Real Estate Settlement Procedures Act (12 U.S.C.  
24 §§ 2601-2617); and the regulations promulgated under these acts;  
25 e. Shall not make a false promise or misrepresentation or conceal an essential or  
26 material fact in the course of the mortgage banker business;

1 f. Shall keep and maintain at all times correct and complete records clearly reflecting  
2 the financial condition of the business that will enable the Superintendent to  
3 determine whether the licensee is conducting business in accordance with Title 6,  
4 Chapter 9, Article 2;

5 g. Shall use their improper name in transacting or soliciting business;

6 h. Shall have their Responsible Individual supervise compliance with A.R.S. Title 6,  
7 Chapter 9, Article 2 and shall have their Responsible Individual be in active  
8 management of activities governed by A.R.S. Title 6, Chapter 9, Article 2.

9 2. Maricopa Mortgage, L.L.C., Mr. Bollow, and Mr. Binkley shall immediately pay to  
10 the Department a civil money penalty in the amount of ~~ten~~ <sup>nine</sup> thousand dollars <sup>(9,000.00)</sup> ~~(\$10,000.00)~~.  
11 Maricopa Mortgage, L.L.C., Mr. Bollow, and Mr. Binkley are jointly and severally liable for  
12 payment of the civil money penalty

13 3. The provisions of this Order shall be binding upon Respondents, their employees,  
14 agents, and other persons participating in the conduct of the affairs of Respondents.

15 4. This Order shall become effective upon service, and shall remain effective and  
16 enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated,  
17 or set aside.

18 SO ORDERED this 1<sup>st</sup> day of June, 2006.

19 Felecia A. Rotellini  
20 Superintendent of Financial Institutions

21 By Bruce Tunell  
22 Bruce Tunell  
23 Deputy Superintendent of Financial Institutions

24 **CONSENT TO ENTRY OF ORDER**

25 1. Respondents acknowledge that they have been served with a copy of the foregoing  
26 Findings of Fact, Conclusions of Law, and Order in the above-referenced matter, have read the



1 same, are aware of their right to an administrative hearing in this matter, and have waived the same.

2 2. Respondents admit the jurisdiction of the Superintendent and consent to the entry of  
3 the foregoing Findings of Fact, Conclusions of Law, and Order.

4 3. Respondents state that no promise of any kind or nature has been made to induce  
5 them to consent to the entry of this Order, and that they have done so voluntarily.

6 4. Respondents agree to cease from engaging in the violative conduct set forth above in  
7 the Findings of Fact and Conclusions of Law.

8 5. Respondents acknowledge that the acceptance of this Agreement by the  
9 Superintendent is solely to settle this matter and does not preclude this Department, any other agency  
10 or officer of this state or subdivision thereof from instituting other proceedings as may be  
11 appropriate now or in the future.

12 6. Mr. Steven Bollow, Owner, and Rob Binkley, Owner, on behalf of Maricopa  
13 Mortgage, L.L.C. and themselves represent that they are the Owners, and that, as such, have been  
14 authorized by Maricopa Mortgage, L.L.C. to consent to the entry of this Order on its behalf.

15 7. Respondents waive all rights to seek judicial review or otherwise to challenge or  
16 contest the validity of this Cease and Desist Order.

17  
18 DATED this 31st day of July, 2006.

19  
20 By: 

21 Steven Bollow, Owner and  
Rob Binkley, Owner  
Maricopa Mortgage, L.L.C.

22 ORIGINAL of the foregoing filed this 1st  
23 day of June, 2006, in the office of:

24 Felecia A. Rotellini  
25 Superintendent of Financial Institutions  
26 Arizona Department of Financial Institutions  
ATTN: June Beckwith  
2910 N. 44th Street, Suite 310  
Phoenix, AZ 85018

1 COPY mailed/delivered same date to:

2 Craig A. Raby  
3 Assistant Attorney General  
4 Office of the Attorney General  
1275 West Washington  
Phoenix, AZ 85007

5 Robert D. Charlton, Assistant Superintendent  
6 Gabriela Macias, Senior Examiner  
7 Arizona Department of Financial Institutions  
2910 N. 44th Street, Suite 310  
Phoenix, AZ 85018

8 AND COPY MAILED SAME DATE by  
9 Certified Mail, Return Receipt Requested, to:

10 Steven Bollow, Owner  
11 Rob Binkley, Owner  
12 Maricopa Mortgage, L.L.C.  
4647 North 32<sup>nd</sup> Street, Suite 180  
Phoenix, AZ 85018

13 Rob Binkley  
14 Statutory Agent for:  
15 Maricopa Mortgage, L.L.C.  
4647 North 32<sup>nd</sup> Street, Suite 110  
Phoenix, AZ 85018

16 By: Pamela A. Carter

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